

AltiGen Communications, Inc. receives INTERNET TELEPHONY® Magazine's "Product of the Year" award for 2005 honoring the IP 710 IP Telephone for outstanding innovation.

FREMONT, CALIFORNIA, January 3, 2006 — AltiGen Communications, Inc. announced today that Technology Marketing Corporation (TMC®)'s INTERNET TELEPHONY® magazine (www.itmag.com) has named AltiGen's IP 710 IP Telephone as a recipient of a 2005 Product of the Year Award. INTERNET TELEPHONY has been the VoIP Authority Since 1998™.

The IP 710 is designed to empower the user. Bringing stylish form and functionality to the desktop, it makes sophisticated features simple and intuitive to use. Users have single button access to personal and corporate speed dial lists, voicemail, activity/presence selection, voicemail greeting selections, call recording, call conferencing, and call transferring.



"The IP 710 IP Telephone has been well received in the market and gives us a competitive advantage in both features and price," said Gilbert Hu, President and CEO of AltiGen Communication. "Since the IP 710's release in October of 2005, this product has quickly risen to become AltiGen's number one selling telephone handset."

With the 4 line, backlit liquid crystal display the IP 710 is capable of displaying time, Caller ID name and number, real-time call center workgroup statistics, do-not-disturb, and call forwarding status. The IP 710 can be personalized with 15 backlit user-defined keys and can be setup for any combination of configurable features like, but not limited to, speed-dialing, extension busy/ringing appearances, call appearances, line appearances, and workgroup activity status.

"Each year INTERNET TELEPHONY magazine bestows its Product of the Year awards on companies that have demonstrated excellence in technological advancement and application refinements. AltiGen Communications has demonstrated to the editors of INTERNET TELEPHONY that its products are committed to quality and innovation while addressing the real needs in the marketplace," said Rich Tehrani, Group Publisher and Editor-in-Chief of INTERNET TELEPHONY.

The Product of the Year Award winners for 2005 will be highlighted in the January and February 2006 issues of INTERNET TELEPHONY magazine.

About AltiGen Communications, Inc.

AltiGen Communications, Inc. (Nasdaq: ATGN) is a leading manufacturer of VoIP telephony solutions. The company designs, manufactures and markets advanced, IP-PBX telephone systems and IP call centers that leverage both the Internet and the public telephone network. These products enable an array of applications that take advantage of the convergence of voice and data communications to achieve superior business results. AltiGen Communications products are available from independent authorized resellers and strategic partners. AltiGen's AltiServ™ family of telephony solutions has been recognized for excellence with more than 40 industry awards since 1996. Focused on the small to mid sized and multi-site businesses, AltiGen customers benefit from integrated solutions that protect their existing investments, while providing new ways to be more competitive, productive and to save money. AltiGen is a Microsoft® Certified Gold ISV Partner.

For more information, call 1-888-ALTIGEN or visit the Web site at www.altigen.com.

About TMC®

Celebrating more than 30 years as a leading publisher, Technology Marketing Corporation (TMC®) publishes Customer Inter@ction Solutions® and INTERNET TELEPHONY® magazines, Web portal TMCnet.com, and the online publications SIP™, Speech-World™, VoIP Developer™, WiFi Telephony™, WiMAX™, Alternative Power™ and BiometriTech™. TMC® is also the first publisher to test new products in

its own on-site laboratories, TMC® Labs. TMC® produces INTERNET TELEPHONY® Conference & EXPO, VoIP Developer Conference™ and Global Call Center Outsourcing Summit™. TMC offers live and online certification programs through TMC University. TMCnet.com publishes more than 14 online newsletters. Visit www.tmcnet.com for details.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements regarding the continued market acceptance of our Voice over IP telephone systems, and call center solutions in the small to midsize marketplace, and the continued market acceptance of our recently released IP 710 IP Telephone. These statements reflect management's current expectation. However, actual results could differ materially as a result of unknown risks and uncertainties, including but not limited to, risks related to AltiGen's limited operating history. For a more detailed description of these and other risks and uncertainties affecting AltiGen's performance, please refer to the Company's most recent 10K for the year ended September 30, 2005. AltiGen assumes no obligation to update the forward-looking information contained in this press release.

Learn More about the [IP 710 telephone](#).

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